



**UNITED STATES DEPARTMENT OF COMMERCE**

**BUREAU OF INDUSTRY AND SECURITY**

WASHINGTON, DC 20230

In the Matter of: 13-BIS-002

Yavuz Cizmeci

Yesiloy Cad. No. 13

Istanbul 34153

Turkey

Respondent

**ORDER RELATING TO**

**YAVUZ CIZMECI**

The Bureau of Industry and Security, U.S. Department of Commerce ("BIS"), has notified Yavuz Cizmeci of Istanbul, Turkey ("Cizmeci"), that it has initiated an administrative proceeding against Cizmeci pursuant to Section 766.3 of the Export Administration Regulations (the "Regulations")<sup>1</sup>, and Section 13(c) of the Export Administration Act of 1979, as amended (the "Act"),<sup>2</sup> through the issuance of a Charging Letter to Cizmeci that alleges that Cizmeci committed one violation of the Regulations. Specifically, the charge is:

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<sup>1</sup> The Regulations are currently codified in the Code of Federal Regulations at 15 CFR Parts 730-774 (2014). The charged violation occurred in 2008. The Regulations governing the violation at issue are found in the 2008 version of the Code of Federal Regulations (15 CFR Parts 730-774). The 2014 Regulations set forth the procedures that apply to this matter

<sup>2</sup> 50 USC app. §§ 2401-2420 (2000). Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 CFR, 2001 Comp. 783 (2002)), which has been extended by successive Presidential Notices, the most recent being that of August 7, 2014 (79 Fed. Reg. 46,959 (Aug. 11, 2014)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. § 1701, et seq.) 2006 & Supp. IV 2010))

Charge 1: 15 CFR § 764.2(b)--Causing, Aiding, or Abetting Actions Contrary to the Terms of a Temporary Denial Order

Between on or about June 26, 2008, and on or about June 27, 2008, Cizmeci caused, aided, abetted, induced, procured or permitted an act or actions prohibited by a BIS Temporary Denial Order ("the TDO") issued in accordance with Section 766.24 of the Regulations. Specifically, Cizmeci caused, aided, abetted, induced, procured or permitted the participation by Dunyaya Bais Hava Tasimaciligi A.S., also known as Dunyaya Bakis Air Transportation, Inc., and doing business as Ankair ("Ankair"), of Istanbul, Turkey, in a transaction concerning a U.S.-origin Boeing 747 aircraft (manufacturer's serial number 24134, bearing Turkish tail number TC-AKZ), and actions by Ankair facilitating the acquisition, possession and/or control by Iran Air of the aircraft. The Boeing 747 was an item subject to the Regulations, classified under Export Control Classification Number 9A991.b, controlled for anti-terrorism reasons, and valued at least at approximately \$5.3 million.

Cizmeci, who was the CEO and President of Ankair, submitted a letter dated June 26, 2008, to the Turkish Civil Aviation authorities directing that the Boeing 747 aircraft be de-registered in Turkey. Ankair also informed Turkish authorities that the aircraft would be subsequently re-registered in Pakistan. Ankair instead transferred physical possession and control of the aircraft to Iran Air on or about June 27, 2008. The Iran Air crew then ferried the aircraft from Turkey to Iran, where it remained under Iran Air's possession and control. At the time, Ankair's export privileges and those of Iran Air's had been denied under the Regulations by the TDO, which had issued on June 6, 2008.<sup>3</sup> The TDO prohibited Ankair from "directly or indirectly, participating in any way in any transaction involving the Boeing 747 (manufacturer serial number 24134, and current tail number TC-AKZ), including, but not limited to ... [c]arrying on negotiations concerning, or ordering, buying receiving, using, selling, delivering, storing, disposing of, forwarding, transporting, financing, or otherwise servicing in any way, any transaction involving Boeing 747...." Moreover, the TDO provided that no person "may, directly or indirectly, do any of the following ... [t]ake any action that facilitates the acquisition or attempted acquisition by [Iran Air or] any Denied Person [under the TDO] of the ownership, possession, or control of any item subject to the EAR that has been or will be exported from the United States, including financing or other support activities related to a transaction whereby any Denied Person acquires or attempts to acquire such ownership, possession, or control." The TDO as issued was effective for 180 days, until December 3, 2008, and continued in force at all times pertinent hereto.

In so doing, Cizmeci violated Section 764.2(b) of the Regulations.

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<sup>3</sup> The June 6, 2008 TDO was published in the Federal Register on June 17, 2008 (73 Fed. Reg. 34,249). Iran Air was subject to a standard denial order which extended to all items subject to the Regulations. Ankair's restrictions were tailored to transactions and activities involving the Boeing 747 aircraft at issue (manufacturer's serial number 24134)

WHEREAS, BIS and Cizmeci have entered into a Settlement Agreement pursuant to Section 766.18(b) of the Regulations, whereby they agreed to settle this matter in accordance with the terms and conditions set forth therein; and

WHEREAS, I have approved of the terms of such Settlement Agreement;

IT IS THEREFORE ORDERED:

FIRST, Cizmeci shall be assessed a civil penalty in the amount of \$50,000, the payment of which shall be made to the U.S. Department of Commerce within 30 days of the date of this Order.

SECOND, pursuant to the Debt Collection Act of 1982, as amended (31 U.S.C. §§ 3701-3720E (2000)), the civil penalty owed under this Order accrues interest as more fully described in the attached Notice, and if payment is not made by the due date specified herein, Cizmeci will be assessed, in addition to the full amount of the civil penalty and interest, a penalty charge and an administrative charge, as more fully described in the attached Notice.

THIRD, that for a period of twenty (20) years from the date of this Order, Yavuz Cizmeci, with a last known address of Yesiloy Cad. No. 13, Istanbul 34153, Turkey, and when acting for or on his behalf, his successors, assigns, employees, agents or representatives (hereinafter collectively referred to as "Denied Person"), may not, directly or indirectly, participate in any way in any transaction involving any commodity, software or technology (hereinafter collectively referred to as "item") exported or to be exported from the United States that is subject to the Regulations, or in any other activity subject to the Regulations, including, but not limited to:

- A. Applying for, obtaining, or using any license, License Exception, or export control document;
- B. Carrying on negotiations concerning, or ordering, buying, receiving, using, selling, delivering, storing, disposing of, forwarding, transporting, financing, or otherwise servicing in any way, any transaction involving any item exported or to be exported from the United States that is subject to the Regulations, or in any other activity subject to the Regulations; or
- C. Benefitting in any way from any transaction involving any item exported or to be exported from the United States that is subject to the Regulations, or in any other activity subject to the Regulations.

FOURTH, that no person may, directly or indirectly, do any of the following:

- A. Export or reexport to or on behalf of the Denied Person any item subject to the Regulations;
- B. Take any action that facilitates the acquisition or attempted acquisition by the Denied Person of the ownership, possession, or control of any item subject to the Regulations that has been or will be exported from the United States, including financing or other support activities related to a transaction whereby the Denied Person acquires or attempts to acquire such ownership, possession or control;
- C. Take any action to acquire from or to facilitate the acquisition or attempted acquisition from the Denied Person of any item subject to the Regulations that has been exported from the United States;
- D. Obtain from the Denied Person in the United States any item subject to the Regulations with knowledge or reason to know that the item will be, or is intended to be, exported from the United States; or
- E. Engage in any transaction to service any item subject to the Regulations that has been or will be exported from the United States and which is owned, possessed or controlled by the Denied Person, or service any item, of whatever origin, that is owned, possessed or controlled by the Denied Person if such service involves the use of any item subject to the Regulations that has been or will be exported from the United States. For purposes of this paragraph, servicing means installation, maintenance, repair, modification or testing.

FIFTH, that, after notice and opportunity for comment as provided in Section 766.23 of the Regulations, any person, firm, corporation, or business organization related to the Denied Person by ownership, control, position of responsibility, affiliation, or other connection in the conduct of trade or business may also be made subject to the provisions of this Order.

SIXTH, Cizmeci shall not take any action or make or permit to be made any public statement, directly or indirectly, denying the allegations in the Charging Letter or this Order. The foregoing does not affect Cizmeci's testimonial obligations in any proceeding, nor does it affect his right to take legal or factual positions in civil litigation or other civil proceedings in which the U.S. Department of Commerce is not a party.

SEVENTH, the Charging Letter, the Settlement Agreement, and this Order shall be made available to the public.

EIGHTH, that this Order shall be served on Cizmeci, and shall be published in the Federal Register.

This Order, which constitutes the final agency action in this matter, is effective immediately.

Issued this 23rd day of March, 2015.

David W. Mills,

Assistant Secretary of Commerce for Export Enforcement.

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